

**CITY COUNCIL MINUTES
SEPTEMBER 28, 2015**

The Honorable Council of the City of Evansville met on regular session at 5:30 p.m. on Monday, September 28, 2015 in the City Council Chambers, Room 301 Civic Center Complex, Evansville, Indiana, with President H. Dan Adams presiding. The following business was conducted.

These minutes are not intended to be a verbatim transcript. Audio recordings of this meeting are on file in the City Clerk's Office.

President Adams: The Honorable Council of the City of Evansville is hereby called to order. Madam Clerk, please call the roll.

ROLL CALL:

Present: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams

Absent: Robinson

President Adams: Therefore eight (8) members present and one (1) member absent and the eight members representing a quorum, I hereby declare this session of this Common Council officially open.

PLEDGE OF ALLEGIANCE

Councilman Weaver will lead the Pledge of Allegiance.

Fellow Councilmen and those in the audience, welcome to the September 28th, 2015 meeting, the 18th meeting for this year.

RECOGNITION OF SCHOOLS

Are there any people...this is a redundant question. Is there anybody that represents school people? Put your hands up. Thank you. If you need anything signed, go to these people at the end of the table. No, we'll be here to sign 'em if need it. Okay.

COUNCIL ATTORNEY

Council Attorney tonight is Scott Danks.

SERGEANT AT ARMS

Officer Kirby, thank you for being with us. That's our Sergeant at Arms.

And here we go.

REPORTS AND COMMUNICATIONS
IN YOUR SEPTEMBER 25th PACKET:

- * City Council Meeting Agenda and Committee Meeting Schedule for September 28, 2015
- * Resolutions C-2015-14, C-2015-15 Docket, C-2015-16, C-2015-17
- * Ordinance F-2015-13 Amended
- * Weights and Measures Monthly Report from August – September 2015
- * Area Plan Commission Report and Meeting Minutes dated September 10, 2015
- * Information Packet Regarding Resolution C-2015-13 from City Controller
- * Evansville Redevelopment Commission Meeting Minutes from August 18, 2015

EMAILED MATERIAL:

- * Salary Ordinance Addendum for the 2016 Budget from City Controller

ON YOUR DESK THIS EVENING:

- * Extended Agenda
- * Ordinances G-2015-27 Amended, R-2015-25 and R-2015-26

President Adams: Is there a motion to receive, file and makes these reports and communications part of the minutes?

Councilman Friend: So moved.

Councilman Weaver: Second.

President Adams: We have a motion and a second. All those in favor? Opposed? So be it.

CONSENT AGENDA

FIRST READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE G-2015-29

A.S.D.

ADAMS

An Ordinance Amending Title 17, the Subdivision Control Ordinance of the Evansville Municipal Code

RESOLUTION C-2015-14

FINANCE

O'DANIEL

A Preliminary Resolution of the Common Council of the City of Evansville Declaring an Economic Revitalization Area for Property Tax Phase-In for the Rehabilitation of Real Property and Installation of New Equipment at 2138 N. Sixth Street, Evansville, Indiana 47710 (IRD Group, Inc.)

RESOLUTION C-2015-16**FINANCE****O'DANIEL**

A Resolution of the Common Council of the City of Evansville Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Construction of Real Property and the Acquisition and Installation of New Equipment - Old Evansville Brewery Development, LLC ("OEBD") (120 N. Fulton Avenue., Evansville, Indiana)

RESOLUTION C-2015-17**FINANCE****O'DANIEL**

A Resolution of the Common Council of the City of Evansville Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Redevelopment of Real Property at 607 East Iowa Street, Evansville, Indiana - Carpenter Court, L.P. (c/o Pioneer Development Services, Inc.)

President Adams: Is there a motion to adopt the Consent Agenda as written?

Councilwoman Mosby: So moved.

Councilman O'Daniel: Second.

President Adams: We had a motion and a second. All those in favor? Opposed? So be it.

CONSENT AGENDA**SECOND READING OF ORDINANCES AND RESOLUTIONS****ORDINANCE G-2015-25****A.S.D.****MOSBY**

An Ordinance Amending Section 6.05.040 of the Evansville Municipal Code (Animal Control)

ORDINANCE G-2015-26 AMENDED**FINANCE****O'DANIEL**

An Ordinance Amending Section 3.35.040 of the Evansville Municipal Code (Housing Trust Fund)

ORDINANCE G-2015-27 AMENDED**FINANCE****BRINKERHOFF-RILEY**

An Ordinance Amending Section 2.80 of the Evansville Municipal Code (Greenway Advisory Board)

ORDINANCE G-2015-28**A.S.D.****BRINKERHOFF-RILEY**

An Ordinance Amending Section 9.10.020 of the Evansville Municipal Code (Fireworks)

ORDINANCE F-2015-13 AMENDED**FINANCE****O'DANIEL**

An Ordinance of the Common Council of the City of Evansville Authorizing Transfers of Appropriations, Additional Appropriations and Repeal and Re-Appropriation of Funds for Various City Funds

ORDINANCE F-2015-18 AMENDED FINANCE O'DANIEL

An Ordinance of the Common Council of the City of Evansville, Indiana Appropriating Monies for the Purpose of Defraying the Expenditures of the Evansville - Vanderburgh Levee Authority District for the Fiscal Year Beginning January 1, 2016

ORDINANCE F-2015-19 FINANCE O'DANIEL

An Ordinance of the Common Council of the City of Evansville Approving and Adopting the 2016 Budget for the Port Authority of Evansville

COMMITTEE REPORTS:

FINANCE COMMITTEE:

CHAIRMAN O'DANIEL

Chairman O'Daniel: Mister President, your Finance Committee met this evening to hear ***G-2015-26 Amended; G-2015-27 Amended; F-2015-13 Amended; F-2015-18 Amended; and F-2015-19*** and all come forward with do-pass recommendations.

A.S.D. COMMITTEE:

CHAIRWOMAN BRINKERHOFF-RILEY

Chairwoman Brinkerhoff-Riley: Mister President, your A.S.D. Committee met this evening to hear ***Ordinances G-2015-25 and G-2015-28*** and both come forward with a do-pass recommendation.

President Adams: Is there a motion to adopt Committee Reports and move the ordinances on to a Third Reading?

Councilman O'Daniel: So moved.

Councilwoman Brinkerhoff-Riley: Second.

President Adams: We have a motion and a second. All those in favor? Opposed? So be it.

So we're going to talk about fixing the salaries?

City Clerk Windhorst: No that got held, no.

President Adams: Huh?

Councilman O'Daniel: *(Off Mic) (Inaudible)*

President Adams: On the 12th, yeah. Okay.

Councilman O'Daniel: *(Off Mic)* All the budget items were continued in total.

President Adams: Right.

THIRD READING OF ORDINANCES AND RESOLUTIONS

MOSBY

THIRD READING OF ORDINANCES AND RESOLUTIONS

O'DANIEL

President Adams: There being eight (8) ayes and zero (0) nays, Ordinance G-2015-26 Amended is hereby declared adopted.

REGULAR AGENDA
THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE G-2015-27 AMENDED FINANCE BRINKERHOFF-RILEY
An Ordinance Amending Section 2.80 of the Evansville Municipal Code (Greenway Advisory Board)

President Adams: Is there a motion to adopt Ordinance G-2015-27 Amended?

Councilwoman Brinkerhoff Riley: So moved.

Councilwoman Mosby: Second.

President Adams: We have a motion and a second. Please call the roll.

ROLL CALL
Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams
Absent: Robinson

President Adams: There being eight (8) ayes and zero (0) nays, Ordinance G-2015-27 Amended is hereby declared adopted.

REGULAR AGENDA
THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE G-2015-28 A.S.D. BRINKERHOFF-RILEY
An Ordinance Amending Section 9.10.020 of the Evansville Municipal Code (Fireworks)

President Adams: Is there a motion to adopt Ordinance G-2015-28?

Councilwoman Brinkerhoff Riley: So moved.

Councilman Lindsey: Second.

President Adams: We have a motion and a second. Please call the roll.

ROLL CALL
Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, Weaver, Adams
Nays: O'Daniel
Absent: Robinson

President Adams: There being seven (7) ayes and one (1) nay, Ordinance G-2015-28 is hereby declared adopted.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE F-2015-13 AMENDED FINANCE O'DANIEL

An Ordinance of the Common Council of the City of Evansville Authorizing Transfers of Appropriations, Additional Appropriations and Repeal and Re-Appropriation of Funds for Various City Funds

President Adams: Is there a motion to adopt Ordinance F-2015-13 Amended?

Councilwoman Mosby: So moved.

Councilman Friend: Second.

President Adams: We have a motion and a second. Would you please call the roll?

ROLL CALL

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams

Absent: Robinson

President Adams: There being eight (8) ayes and zero (0) nays, Ordinance F-2015-13 Amended is hereby declared adopted.

Councilman O'Daniel: Page 14.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE F-2015-18 AMENDED FINANCE O'DANIEL

An Ordinance of the Common Council of the City of Evansville, Indiana Appropriating Monies for the Purpose of Defraying the Expenditures of the Evansville - Vanderburgh Levee Authority District for the Fiscal Year Beginning January 1, 2016

President Adams: Is there a motion to adopt Ordinance F-2015-18 Amended?

Councilman Friend: So moved.

Councilwoman Brinkerhoff Riley: Second.

President Adams: We have a motion and a second. Roll call, please.

ROLL CALL

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams

Absent: Robinson

President Adams: There being eight (8) ayes and zero (0) nays, Ordinance F-2015-18 Amended is hereby declared adopted.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE F-2015-19

FINANCE

O'DANIEL

An Ordinance of the Common Council of the City of Evansville Approving and Adopting the 2016 Budget for the Port Authority of Evansville

President Adams: Is there a motion to adopt Ordinance F-2015-19?

Councilman Friend: So moved.

Councilwoman Mosby: Second.

President Adams: We have a motion and a second. Please call the roll.

ROLL CALL

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams

Absent: Robinson

President Adams: There being eight (8) ayes and zero (0) nays, Ordinance F-2015-19 is hereby declared adopted.

RESOLUTION DOCKET

RESOLUTION C-2015-13 DOCKET

FINANCE

McGINN

A Resolution Authorizing the Temporary Transfer of Funds for Cash Flow Purposes

President Adams: Are there any discussions from City Council?

Councilman O'Daniel: Yeah. I do want to thank Russ. You provided a lot of information to us about the state of our finances. You know, there are things that I can criticize like how it's been done as opposed...you know, resolution as opposed to a finance ordinance, but I can't deny the fact that you put together what I thought was good information, real time information, showing what our cash balances are, or at least

were, and I think as of the 17th there were a little over a million dollars; now they're about \$700,000 or so.

It appears that your office has at least done what it can to cash in about 3.3 million dollars of investments. There's still about seven million out there that I think could be but, you know, there may be some penalties that we might incur on that. So I do want to thank you for putting that together. I hope it...this...well hopefully, we don't have to re...this doesn't occur every six months but...

City Controller Lloyd: Right.

Councilman O'Daniel:...hopefully this will lead to more interaction between your office and this chamber as far as the state of our financial affairs.

Now, that being said, the ordinance, or the resolution, calls for both the Rainy Day Fund, three, and a little over three million dollars or so to be tapped in as well as Riverboat monies of about five million and I...you know the Rainy Day Fund, obviously I think you've shown that that can be tapped into for these purposes and repaid.

The Riverboat, I'm still...I'm grasping, grappling with this because I think that that resolution back in two thou...or 1996 states, "It shall not be used for operations", and a loan for operations is still operations in my...in my mind. And I also think its horrible precedent to set to tap into capital funds, things that are itemi...just set aside that restricted for capital funds to get into for operations because if we're talking repayment in two months, or actually by December 31st, that's really a three-month loan. It's likely to recur again in April or May so for five of the seven...or five or six of the twelve months out of the year we're likely to tap into these restricted funds and what that does is it leaves less of that money to be used for bonds or to be used for real capital projects. You know both the mayoral candidates have indicated that they want to see improvements at Mesker, Mesker Amphitheater, and the zoo; a desire for, you know, a regional park. That's where this money would come from is this cash buildup in the Riverboat Fund and, you know, I fear that if we tap into it at some point we're not going to be able to get into it.

In addition, we've already made some concessions because I think it's indicated we're going to need about 1.3 million dollars a year to keep our police fleet up and running. We've committed \$270,000 this year because we're leasing them. That doesn't mean, you know...but that's \$270,000 next year and we don't get a car so realistically we're just deferring that money out there again in our Riverboat Fund and that's a real concern but those are just my comments. I, you know, I...I think it's a terrible precedent to set but I also understand the need to pay the bills that we've got. Just very unfortunate situation we've found ourselves in.

Councilman Friend: If I may say, Russ...

President Adams: Any other comment?

Councilman Friend: Yes, I like to add this. I mean last time, two weeks ago, when we met, you know, Russ, we made...I think we were going to accommodate you and come and have a special meeting and when we saw a lot of rhetoric out then we had a lot of...there's...because it's two-week span that's caused some heartburn over there across the hallway. I don't know. I'm puzzled. I don't know. Were you...were you misleading us two weeks ago that we needed to have a special meeting or are we getting misled tonight a little bit? I'm just asking that.

City Controller Lloyd: Well one week versus two weeks bills had to be deferred so...

Councilman Friend: I understand but I mean...

City Controller Lloyd:...we had to stretch it out another week.

Councilman Friend:...we would have most certainly loved to come in there and have a special meeting.

Well, the other thing though I did pass out this to you. I guess when I did that fiscal year analysis, I'm...it looks like to me we need more'n eight mill...I'm just asking. As you know when I passed it out I was showing a balance in the General Fund of almost approaching 10 million dollars negative whereby the prior year it was only 3.4 million negative. That's a 6...6.5 million greater there and when you look at the operational funds we're upside down by 13 million compared to a little under seven million the prior fiscal year.

I'm just...is eight million dollars enough? And what I'm worried about, is this become another like a payday loan, you know, like Friday comes along and you get your paycheck; Monday you need to do another loan because you had to pay your paycheck back to the other loan. I'm just asking these questions.

City Controller Lloyd: Okay, I've never done a payday loan. I don't think they're a very good deal.

Councilman Friend: No, no they're not. Not very much so.

City Controller Lloyd: This...I mean this is...we looked at it as a one-time situation brought on by the Council's desire to have the...separate the Riverboat Funds whereas those were in one pooled account.

Councilman Friend: Sure.

City Controller Lloyd: The balances in the Riverboat would float a negative General Fund for a period of time. Obviously we're not allowed to do that. But the eight million will be sufficient.

President Adams: I guess I don't understand a one-time experience with this.

City Controller Lloyd: I don't anticipate doing this again next year but I...

President Adams: I can't hear you.

City Controller Lloyd: I don't anticipate doing this next year but I guess we'll have to wait and see.

Councilman O'Daniel: Well didn't you say it was cyclical?

City Controller Lloyd: Well it is cyclical.

Councilman O'Daniel: So that would mean it happens once a year, right?

President Adams: Well, I'm sorry. Would you do me a favor and tell me whether you don't think this ordinance should stay up or you just hoping them funds will be lush enough that you won't have to transfer the money?

City Controller Lloyd: Well, I mean the City...obviously we're looking every day at ways we can streamline funds or save money so we were a little surprised that...that we were not able to make it to, you know, October...

President Adams: Sure.

City Controller Lloyd:...November.

President Adams: Okay.

City Controller Lloyd: We can try to do some other things next year that maybe will alleviate this. I mean I can't guarantee anything in life but I would just as soon not have to do this. But we'll just have to see what happens next year.

President Adams: Any other comments.

Councilwoman Brinkerhoff Riley: I do.

Councilman Lindsey: Yeah, I'd like to make a comment. Why is it when we segregated funds that weren't supposed to be used for operations anyway because of an ordinance, I still have trouble grasping why that's such an issue when they weren't supposed to be used for operations in the first place. Are you saying that...that the ordinance passed by a former Council was being, you know, not followed? Is that what you're...that you're telling us because segregating it shouldn't affect the normal operation of the City if it's funds that aren't supposed to be used anyway?

City Controller Lloyd: Well, and the funds, I mean the Riverboat Funds have not been used for operations but when you had all those funds in one bank account some funds would be up and some funds would be down so those...the Riverboat, the TIF, maybe the health insurance fund...other funds might have a surplus whereas the General may be running negative but this whole pooled cash fund stayed...stayed at a positive.

Councilman Lindsey: Yeah but that...that's my whole point. I mean that should never be in the play; it should never have been in play in the first place.

City Controller Lloyd: I mean the Riverboat...

Councilman Lindsey: It's like the 30...'37 Pension Act. The '37 pensioners from police and fire, you know, was that money ever incurred for any operating expenses?

City Controller Lloyd: No, that money was...

Councilman Lindsey: Not at all.

City Controller Lloyd:...segregated for the pensions.

Councilman Lindsey: Did you not cash in a 2.5 million dollar investment like a...what was that, two years ago? Why was that cashed?

City Controller Lloyd: Well, with the pensions we invest the excess but they payout... what...every...twice a month, I guess.

Councilman Lindsey: That's \$500,000 a month, isn't it, for all the pensioners?

City Controller Lloyd: Right, about that.

Councilman Lindsey: Police and fire?

City Controller Lloyd: So if we invested too much that might go negative but then the investment would be redeemed and we'd restore it back.

Councilman Lindsey: What's the normal pension fund that you get every year? That comes from the State? Is that correct?

City Controller Lloyd: It comes from the State.

Councilman Lindsey: How much is that yearly?

City Controller Lloyd: Ah, let me see here. It comes in...I know one of 'em comes in October. I think the other one comes in in August. It's roughly three million, something like that, 2.7 million.

Councilman Lindsey: Every six months? 2.7 million every six months?

City Controller Lloyd: I think that's the whole year.

Councilman Lindsey: Then how do you pay out six million dollars-worth of pension funds?

City Controller Lloyd: Let's see.

Councilman Lindsey: If you're only getting 2.7 a year where's the other 3.3 coming from?

City Controller Lloyd: I mean the pensions generally break even so...

Councilman Lindsey: But where's the money? Where's the...if the State's only giving you 2.7 to pay a six million dollar bill where does the other 3.3 million come from?

City Controller Lloyd: That 2.7...are you just talking about the fire or are you talking about both of 'em?

Councilman Lindsey: Yeah, I'm talking about fire and police combined. They're both the '37 Act.

City Controller Lloyd: Right.

Councilman Lindsey: Because the '77 Act stays up-state, doesn't it? They handle that.

City Controller Lloyd: I would as...I mean I can get you the exact figure I'm sure. Enough money from the State comes in to fund those pensions so if it's 5.4 million, that's what we receive from the State. I don't have the annual report in front of me.

Councilman Lindsey: Well, I mean if you have a shortage, I mean the State's got to cover the...whatever the pension is. Is that correct?

City Controller Lloyd: Right.

Councilman Lindsey: No matter what the pension is...

City Controller Lloyd: Well and at the...

Councilman Lindsey:...the State covers that.

City Controller Lloyd: Yeah, and at the beginning of the year there's several million in the plan as a surplus. I mean we've got a surplus in those plans.

Councilman Lindsey: Okay, but still one of my questions, my first question was did you, you know, why were you using Riverboat money that, by ordinance, states that you can't use it for operations? Why would you...why would you even...why would that even be in the mix? You know this shouldn't affect your budget at all because Riverboat's not figured into your budget for operating expenses. I just can't understand why...

City Controller Lloyd: Well, it's the difference between the fund versus just a checking account. Like if you have all the City funds in one account we still keep track of the fund so we're not using Riverboat Funds for operating but the big checking account, we're paying bills out of that.

Councilman Lindsey: But your whole point of emphasis is that that one ordinance that we passed which was to keep these funds separate has affected your ability to operate this City and to pay its bills. But how can that be if that's not part of the mix in the first place. If it's a, you know, it's money that doesn't exist for you, how is that our ordinance negatively affected your ability to run the City and pay the bills. I don't...I don't...that...can't understand that concept.

City Controller Lloyd: Well, because the fund...the City is not using Riverboat Funds for operating but all the funds were in a pooled checking account.

Councilman Lindsey: Okay, I don't...I guess it's just beyond my ability to understand why money that you can't use for operations, which is no longer in your reach, at your beckon will...

Councilman Friend: Yeah, yeah.

Councilman Lindsey:...now makes this an issue to run the City. I don't understand why segregating those funds has made us into...

Councilman Friend: I mean Councilman Lindsey, basically what it means, if we'd end that those checks would have bounced, basically.

Councilman Lindsey: But then I...

Councilman Friend: You follow what I mean? In other words, they didn't...

Councilman Lindsey: Well I understand that part of it.

Councilman Friend:...they didn't...they didn't co-ming...the comingling of funds, basically in one checking account. That's what you were doing, along with others, so what that did is it...well the one fund over there in the boat fund kept the General Fund from...from...those checks from not bouncing.

Speaking Simultaneously

Councilman Lindsey: Right, but they used that money. That is against that ordinance.

Speaking Simultaneously

Councilman Friend: Exactly.

Speaking Simultaneously

Councilman Lindsey: Its, I mean it's...

Speaking Simultaneously

Councilman Friend: It's the same...its semantics, its semantics.

Speaking Simultaneously

Councilman Lindsey: I mean there's no way that you can say it otherwise. How else could you say it?

Assistant City Attorney DeLucio: Let me...let me...Marco DeLucio from the City Attorney's office.

I'll just answer that question. It's the way that the City has operated since Aztar, now Tropicana, came to town is those funds were all in one large account, as Russ just indicated, and the funds...the funds were used and what happened when the ordinance was passed earlier this year segregating those, it prohibited the use of funds without coming before you and explaining to you what we were doing. And that's why we're here tonight.

Councilman O'Daniel: That's not...that's not entirely...

Councilman Lindsey: But it was prohibited by ordinance.

Councilman O'Daniel: That's not entirely accurate because the fund balances have been declining by seven, eight million dollars a year over the last several years and so you're talking about taking an eight million dollar loan, well, we had eight million dollars more last year and so the analysis that you did for us before we passed this ordinance, that we're essentially circumventing at this point, that there was no need to tap into it because, at least on paper, you never actually got into that money. There were other funds by which you drew that you never had to tap into. Just like the arena bond fund, on paper it never got touched because...the underwriters wouldn't have wanted it that way.

Assistant City Attorney DeLucio: And it's all...it's all associated with...there's been a...with the property tax caps, there's a cap on the revenue that's been coming in; probably a little bit of a decline. Expenses have not gone down, they've gone up with health insurance and everything else and what we're doing right now, I believe, is working with you to establish a budget that will address that going forward, which is why Russ says, and I hope, that we don't have to come back here again in six months and ask for this to be done.

Councilman O'Daniel: And then one other thing and I want, again, one of the other things that we talked about is other mechanisms by which you could get the money and there is a Tax Anticipation Note and you said that there was precedent for it. Back in 2004 there was a transfer of funds in December of about five million dollars from the Sewer Utility to help underwrite Parks and the Operations fund so there can be a Tax Anticipation Note through the Sewer Utility. There can be a Tax Anticipation Note through the bond band, which is something else that can be done. We could go through Tax Anticipation Warrant through the Indiana Bond Bank, or you could go to local banks. Now that's the much more expensive option...

City Controller Lloyd: Right.

Councilman O'Daniel:...but the other ones, the costs are, eh, relatively minor given it's an eight million dollar ask. But those are other mechanisms by which you could ask for the money and not tap into restricted funds.

Assistant City Attorney DeLucio: And that's...may very well be if we have to do this again, those would be certainly options that would be considered at the time. We have funds sitting there now, and you're right, some of those expenses aren't terrific to go through those other mechanisms. They are time consuming and, you know, we have to through two or three different boards to get 'em done in some cases but it's our hope that, number one, we won't have to do it again. Number two, we may very well try a different route the next time if that's the will of the Council that they don't...they don't want to do it by resolution anymore, that they would rather for us to borrow this from

the bond bank or go to the...go to the retail banking out there to do some of that. We don't really want to do that. We think it's easier to move the funds now; it's very easily accomplished. The funds will be replenished at the end of the year, or before, and it's only going to be a couple of months now; we're almost to October already.

Councilman Friend: *(Inaudible)*

Councilman Lindsey: I've got one more...

Councilman Friend: Yeah.

Councilman Lindsey: One more question.

Councilman Friend: Yeah, go ahead.

Councilman Lindsey: Is there a penalty? I mean you can't penalize yourself if you don't pay this money back. Is that correct? I mean...

Assistant City Attorney DeLucio: I think we'd be violating State law if we did that so I think...

Councilman Lindsey: What would be the penalty?

Assistant City Attorney DeLucio: I think Russ wouldn't want to do that.

Councilman Lindsey: What would the State do?

Assistant City Attorney DeLucio: What would the State...? I don't know but I don't want to know either.

Councilman Lindsey: Oh, okay.

Councilman Friend: But if...if I can ask...

City Controller Lloyd: We have to inform that State and the provision is that it has to be paid back by December 31st.

Councilman O'Daniel: That's in the statute.

President Adams: John?

Councilman Friend: Yes?

City Controller Lloyd: It's the Temporary Loan statute.

President Adams: John, could this lady say something?

Councilman Friend: Oh, I'm sorry, fine. Excuse me.

Councilwoman Mosby: You just answered by question. I just wanted to make sure people are aware that this has to be paid back. It's not like it's going away forever. It will be paid back be...by the end of the year or before.

City Controller Lloyd: *(Off Mic)* Right. *(Inaudible)*

Councilman Friend: One thing I got a little puzzlement about is this is the prior administration did indeed work under the same property tax caps. It really hit them in 2008 to 2009 when you saw the drop. They dropped from 16 million dollars in June of 2000...in May, I'm thinking June of 2000...2008 to 2009 when the property tax caps hit, was a five million dollar slice right off the deal, you saw, it was a five million dollar...that was an increment. The only thing we lose is just that small little increment every year so my puzzlement is this: When we say we're living under property tax caps we hit...we had that big butt whippin' back in 2009. That's when that really hit. I've looked that up...today matter of fact. So my puzzlement is say that they're all property tax caps is not...is a little somewhat misleading. We...we...when I gave you this deal here earlier today you can see that the history of July...July balances, 2012, we had 2.8 million dollars setting in the General Fund in July and now '13 is 3.1 million negative, 3.4 million negative in '14, and now nearly 10 million dollars negative in July of this year.

My...I...I...know that these are not property tax caps; there's something else going on here. My concern is are we going to get by the first date you guys pay this back, you're going to come in right in the next week, into the next period of time because you have to or we got to give you a six month...you got to an emerg...I think what it is...is that the way it works, Russ? I think you got to come to us, ask for emergency to go into the next fiscal year, I mean next calendar year with a loan outstanding? I think there's...

City Controller Lloyd: Are you talking about trying to do an additional loan in 2015?

Councilman Friend: No, no. I think there's something if we can't this paid back by the end of the year, you have to come before the Council asking for an emergency deal to carry it for six months.

City Controller Lloyd: The Council would have to do an extension. We don't anticipate doing that.

Councilman Friend: Well I know but that's a possibility.

Councilman O'Daniel: I mean the reality is they're going to pay it back by the end of the year. The problem is is how often is this going to recur and I think to Doc's point last time we were here, you know, do you see a metric now that it was, you know, August 15 or April 15 and what are we, September 28? Next year is it going to be, you know...

President Adams: Earlier.

Councilman O'Daniel:...April 12 and, you know, September 15? I mean is it going to...

President Adams: Get more money.

Councilman O'Daniel: Yeah, and more money so...

President Adams: Yes, please.

Councilwoman Brinkerhoff Riley: Okay, I have four questions and I just want to preface it with a statement that before we passed this ordinance you did run an analysis because the original ordinance, I believe, included COIT that we were going to segregate some other funds and your analysis of the numbers was that would not work and you wouldn't be able to float between the two property taxes. But originally, when this was passed, the analysis was that this roughly 17 million dollars could be segregated and the City would be able to pay its bills so the ordinance wasn't passed with the understanding that it would create this problem; in fact it was passed with the understanding it would be okay.

Councilman O'Daniel: *(Off Mic)* actually, it was COIT and TIF originally.

Councilwoman Brinkerhoff Riley: Yeah, we had other funds originally segregated...

Councilman O'Daniel: Right.

Councilwoman Brinkerhoff Riley:...and those were removed at your request.

City Controller Lloyd: Well no, one of them that I asked to keep in there was Rainy Day but that...the Council decided they wanted to segregate Rainy Day.

Councilwoman Brinkerhoff Riley: Yeah, but I understand there...at the end of the day, Rainy Day, that those funds were going to be okay if we segregated out.

So, I have some questions that are real specific. What you liquidated in the meantime, were those funds in the Hoosier accounts?

City Controller Lloyd: There was one in the Hoosier Fund, yes.

Councilwoman Brinkerhoff Riley: Okay, and so those are funds that you can move in and out without any kind of penalty, correct?

City Controller Lloyd: Right, that's correct.

Councilwoman Brinkerhoff Riley: So the seven million that's out there in investment right now, are those in CDs?

City Controller Lloyd: Yes.

Councilwoman Brinkerhoff Riley: Okay.

City Controller Lloyd: Although I think it's less than that now but that's...those are in CDs.

Councilwoman Brinkerhoff Riley: And so the idea is that we wouldn't want to get into those because those potentially would have a penalty.

City Controller Lloyd: I mean I'm going to throw out a kudo: All the banks that we've dealt with so far have been...they've not charged us penalties. They've been very gracious to work with the City in this regard because there have been some early redemptions.

Councilwoman Brinkerhoff Riley: Okay, as part of this last two weeks?

City Controller Lloyd: Yes.

Councilwoman Brinkerhoff Riley: Okay. And then the three million that the Rainy Day Fund, where...I mean that wouldn't be sitting in cash. Where is that invested now?

City Controller Lloyd: 2.5 million's invested in a CD.

Councilwoman Brinkerhoff Riley: Okay. So you're asking for the right to break a CD?

City Controller Lloyd: Right, or the oppor...the possibility of doing that.

Councilwoman Brinkerhoff Riley: And the five million in Riverboat, that's not sitting in cash either. Where's that at?

City Controller Lloyd: The Riverboat balance, fund balance, is 13.5 and I'm...about seven million's in CDs.

Councilwoman Brinkerhoff Riley: Okay, and so the five million that you want to use, is that in CD or is that in the Hoosier Fund?

City Controller Lloyd: It's not in the Hoosier Fund. It's just in a checking account.

Councilman O'Daniel: *(Off Mic)* It's cash.

Councilwoman Brinkerhoff Riley: Okay, and so you want to use...so you're going to capture five million in cash and you're going to break a CD to get into the Rainy Day?

City Controller Lloyd: If we do it that way, yes. Well, the Rainy Day, the balances, what is it, 2.9? So we would have to do something with that CD.

Councilwoman Brinkerhoff Riley: But I think what I hear you saying is you don't expect for there to be a penalty to break into that.

City Controller Lloyd: Well that's up to the bank. We would talk to them and try to get them not to do that.

Councilwoman Brinkerhoff Riley: Okay, but is that...are you at the...the point of getting into the Rainy Day Fund because its six of one, half a dozen of another because you've got Riverboat that's in a CD too?

Councilman O'Daniel: You need eight million; you've got at least five million in cash in the River Boat.

City Controller Lloyd: Yes, right, right.

Assistant City Attorney DeLucio: Yeah, yeah.

Councilwoman Brinkerhoff Riley: So why aren't you using another three million in Riverboat? It's in a CD, the Rainy Day Fund's in a CD. Why are you getting into the Rainy Day?

City Controller Lloyd: Well that was...I mean the eight million had...it was a combination of those two. We would use the liquid funds first.

Councilwoman Brinkerhoff Riley: Okay, but that's...I'm sorry, it doesn't answer my question. Why are you using...if you've got 13 million dollars in Riverboat between cash and CDs, why do you want to get into Rainy Day?

City Controller Lloyd: Well, that was what we requested in the resolution to spread the pain around.

Councilwoman Brinkerhoff Riley: Okay. Is it a fact that the 13 million that you have in Rainy Day is budgeted somewhere?

President Adams: River...

Councilman O'Daniel: *(Off Mic)* Riverboat you mean.

Councilwoman Brinkerhoff Riley: Riverboat, sorry. The Riverboat Funds; I mean when I look at 2015 you, according to your Riverboat budget, spend all but \$80,000 and last year I think the budget was tight too so when you talk about having 13 million in Riverboat Funds sitting in a bank account, those are ultimately within the budget for 2015 somewhere, aren't they?

City Controller Lloyd: Well, I mean I'm looking at encumbrances in July: 3.1 million, so you have quite a bit that's not encumbered and that may be...that's already been paid for capital projects this year and then liquidated it or some of those projects may have been cancelled but there is unappropriated available.

President Adams: Or the Ford Center?

City Controller Lloyd: What's that?

President Adams: Or the Ford Center?

Councilwoman Brinkerhoff Riley: Well you've got 3.8...

City Controller Lloyd: Right.

Councilwoman Brinkerhoff Riley:...that you'll need for the Ford Center.

City Controller Lloyd: Right.

Councilwoman Brinkerhoff Riley: But theoretically, this money is supposed to go somewhere whether that project might have been cancelled or maybe that project hasn't occurred yet.

City Controller Lloyd: Some of it possibly, yeah.

Councilman O'Daniel: I think the budget last year, that is where we created a savings account because we were able to make sufficient cuts to avoid having expenditures exceed the revenues we were going to have for it so the Rainy Day Fund actually increased about a million and a half, two million dollars last year. The Riverboat Fund, I mean.

City Controller Lloyd: The Riverboat, yeah, not Rainy Day.

Councilman O'Daniel: Not Rainy Day but Riverboat.

Councilwoman Brinkerhoff Riley: Okay, but I guess I'm still...you want to spend that Riverboat potentially somewhere else. That's why you want to get into Ri...when you talk about spreading the pain, you need the Riverboat.

City Controller Lloyd: Well the...it would be a temporary transfer that would be repaid so I'm not sure why you would say spend it. There's other budget requests that will continue to work on the Riverboat.

Councilwoman Brinkerhoff Riley: Well the Riverboat's already approved for a vast number of things and so that's theoretically why you would reach into Riv...into Rainy Day because Riverboat can already been spent...can be spent in a variety of ways that you'll need before the end of the year, correct?

City Controller Lloyd: Right.

Assistant City Attorney DeLucio: And I think some of these funds are going to be, I think what Russ has told me is some of the funds are going to be replenished because tax dollars start to come in as soon as November, and so we'll be...so I mean...

Speaking Simultaneously

Councilwoman Brinkerhoff Riley: Yeah, no, I know you'll start to get some advances.

Assistant City Attorney DeLucio: Yeah.

Councilwoman Brinkerhoff Riley: I'm just...I struggled with why Rainy Day as opposed to just taking it all out of Riverboat and I think I understand that you're going to need the difference that's left in Riverboat...you potentially need for...

City Controller Lloyd: Well, by its definition Rainy Day, we don't budget it.

Councilwoman Brinkerhoff Riley: That's correct.

City Controller Lloyd: It's just there as a savings account for the City.

Councilwoman Brinkerhoff Riley: I just would think that we wouldn't go through the process of getting approval from the State to get into those funds if we didn't need to.

Councilman O'Daniel: But you know that is what it's for though. If you show an emergency in your operations then the Rainy Day fund is really what it's meant to be is Rainy Day. And then if you pay it back you pay it back so by definition it actually should be the first fund you get into as opposed to capital funds.

Councilman Friend: Russ, can I ask you...can you have the ability to tap in any funds over the Utility Department?

City Controller Lloyd: Well, that was one of the options in this memo.

Councilman Friend: It was my understanding when Mr. Mounts came before us I asked him this. He said that based upon the covenants of most those bond funds if you have any outstanding bonds with the investors that they wouldn't allow that of course because, you know, they got subordinate to those...to those investors.

City Controller Lloyd: Well and I...

Speaking Simultaneously

Assistant City Attorney DeLucio: That's one of the things...that's one of the things we'd have to look at. We were asked to explore other options and the Sewer Department would be one of those options. We would have to go back in and analyze, with the Sewer Department, what funds they had available to make a loan. I don't...as I stand here today I don't know whether they do or don't but that analysis would have to be done.

Councilman O'Daniel: How much is in the bond bank?

Councilman Friend: About 10 million, isn't it?

City Controller Lloyd: Ah, the bond bank's got...

Councilman Friend: Eleven, I think.

City Controller Lloyd: Yeah, some of that's encumbered. There's a couple...at least two million I think or more in the bond bank that's unencumbered.

I want...as Marco pointed out on the utility they, according to Mr. Mounts, had talked to Umbaugh and there was approximately 2...2 million, 2.3 million that would be available to be borrowed. That would have to go to their board. There's some other...

Assistant City Attorney DeLucio: *(Off Mic) (Inaudible)*...back here.

City Controller Lloyd: Yeah, there's some other things on the utility. It's a little bit different but the Administration requested Riverboat and Rainy Day as the easiest way to do this.

Councilman O'Daniel: *(Off Mic)* Bond bank had 4.8 million in cash.

President Adams: Let me make a couple a observations if I could. Number one, I think all of us would be delighted if you don't come back and you have enough money so you don't have to go through this again. It was never our intent to, "Have an emergency", or "Shut down any government", or anything like that.

Speaking Simultaneously

Unidentified Speakers: *(Off Mic) (Inaudible)*

President Adams: We just wanted to know what was going on and it's just an attempt to get some transparency. I would suggest if you ever have to do this again; April, September...that you do it a little more formal way. Let the Finance Chair know, maybe have a First or Second Reading, have a couple a weeks to have people adjust to the wonderful input that you gave us, real time, which was very helpful.

But again, I think this is a healthy, good process and I appreciate your dancing with us.

City Controller Lloyd: Okay.

President Adams: Any other comments?

Okay, is there a motion to adopt? Wait a minute; I apologize.

City Controller Lloyd: It's a resolution.

President Adams: Are there any comments from the crowd? You've had enough I trust. Okay.

Is there a motion to adopt Resolution C-2015-13?

Councilwoman Mosby: So moved.

Councilman Friend: Second.

Councilman O'Daniel: Point of order. Can we break this resolution in two?

President Adams: No.

Councilman O'Daniel: Where you make a resolution...

Speaking Simultaneously

President Adams: If you make a motion...if you make a motion to do it you could.

Councilman O'Daniel: Yeah.

President Adams: But frankly I don't...I don't...I personally don't see the benefit but if you want to make a motion that that's fine.

Councilman O'Daniel: I'd like to make a motion to...

Councilman Weaver: Is this the first or the second one?

Councilman O'Daniel:...to have a resolution for the Rainy Day Fund and another resolution for the Riverboat Fund.

City Council Attorney Danks: If I may, was there already a motion on the floor and a second?

Councilwoman Mosby: *(Off Mic)* A first and a second, yes.

City Council Attorney Danks: I think you might be a little late in your motion.

President Adams: About 10 seconds and I apologize.

Councilman O'Daniel: Okay.

President Adams: Okay, we have a motion and a second. Roll call.

ROLL CALL

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, Weaver, Adams

Nays: O'Daniel

Absent: Robinson

President Adams: There being seven (7) ayes and one (1) nay, Resolution C-2015-13 is hereby declared adopted. Go with God.

City Controller Lloyd: Okay, thank you and we'll let you know what progress...

President Adams: We look forward to seeing you next year.

City Controller Lloyd: Okay.

RESOLUTION DOCKET

RESOLUTION C-2015-15 DOCKET AMENDED A.S.D. BRINKERHOFF-RILEY

A Resolution of the City Council of Evansville, Indiana Regarding Transfer or Exchange of Property within Vanderburgh County

President Adams: Who would like to talk about this?

Councilwoman Brinkerhoff Riley: I think...

President Adams: Kelley?

Councilwoman Brinkerhoff Riley: Kelly's going to come up. I'm sponsoring this. This allows them to...

President Adams: Terrific.

Councilwoman Brinkerhoff Riley: What?

President Adams: Terrific.

Councilwoman Brinkerhoff Riley: They're...this allows us to capture some of the properties that are otherwise going to be auctioned and potentially unleashed on the public in an uninhabitable state. They think the County's auction is currently scheduled for October 27th and so this comes in a resolution form so that it...so that that paperwork can be done to pull these properties out of the auction.

DMD Executive Director Coures: That's correct and I...I sent Councilwoman Riley an additional address. If you remember the gentleman, Mr. Lumley, has been working with several properties on the westside. There is one in that list that we believe we can take the risk on. We've been working with the two ladies: the purchaser on contract and the actual owner of the property to take the adjacent property. At first we didn't know...we

didn't know who owned it, who was adjacent neighbor, but we believe that we can take the risk in taking that property. These are all going in the Blight Elimination Program, the IHCD's Hardest Hit Fund grant. These properties are all part of that process...

President Adams: Thank you.

DMD Executive Director Coures:...that we're taking out of the auction.

President Adams: Thank you. Any comments?

Councilwoman Brinkerhoff Riley: Yeah, I do have an amendment. I would amend Resolution C-2015-15 to add the property located at 1709 Ewing Street. It is street, right, not avenue? I think its Ewing Street.

DMD Executive Director Coures: That's correct; avenue.

Councilman Lindsey: *(Off Mic)* It's avenue.

Councilwoman Brinkerhoff Riley: Avenue, Ewing Avenue; 1709 Ewing Avenue.

President Adams: Okay, do we have a discussion now or do we vote on the amendment? I would think we have a discussion, yeah. Any comments from my colleagues on this?

Councilman Lindsey: *(Off Mic)* What was that address again?

Councilwoman Brinkerhoff Riley: 1709 Ewing Avenue. These are all properties that would otherwise be auctioned on October 27th, some of which were on the original application for the Blight Elimination Fund and I believe a few...

Speaking Simultaneously

DMD Executive Director Coures: Both rounds one and two and we do some substitutes...

Speaking Simultaneously

Councilwoman Brinkerhoff Riley: Some are substitutions where they've had...

DMD Executive Director Coures:...that were...we need this on the ordinance so that we can properly advertise it. That's one that we still have to include in a public meeting so we're hoping that we have enough savings from Round One and Round Two to get to all of those subs. We've got about 40 substitutes; this is one of the 15 that we still have to have another public meeting to get to so we're hoping that we...IHCD tells us when they process Blight...Round One and Round Two that we have enough savings to go ahead and take the rest of those substitutes.

President Adams: Okay.

Councilwoman Brinkerhoff Riley: And some of that comes from economies of scale...

DMD Executive Director Coures: Correct, correct.

Councilwoman Brinkerhoff Riley:...in terms of doing demolition in big chunks so...

President Adams: Okay, any other comments? Right, any comments from the crowd on this?

Alright, I would entertain a motion for the amendment to add 1709 Ewing Avenue to the property list.

Councilman O'Daniel: *(Off Mic)* So moved.

Councilman Lindsey: *(Off Mic)* Second.

President Adams: Second...we have a motion and a second. I think I can do that by roll call. I mean by voice?

City Council Attorney Danks: *(Off Mic)* Yes.

President Adams: All those in favor? Any opposed? Okay.

Is there a motion to adopt Resolution C-2015-15 Amended?

Councilwoman Brinkerhoff Riley: So moved.

Councilman O'Daniel: Second.

President Adams: We have a motion and a second. Let's try roll call.

ROLL CALL

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Friend, Lindsey, O'Daniel, Weaver, Adams

Absent: Robinson

President Adams: There being eight (8) ayes and zero (0) nays, Resolution C-2015-15 Amended is hereby declared adopted.

MISCELLANEOUS BUSINESS

The next meeting of the Common Council will be Monday, October 12, 2015 at 5:30 p.m. Committee meetings will begin at 5:05 p.m.

Is there anybody that would...any comments from the City Council about anything? Or are there any people in the crowd that would like to come up and discuss anything that you think's important to this issue?

Okay, we will sign all of your...your chits that make sure that you weren't somewhere else but that you were here.

COMMITTEE MEETING SCHEDULE FOR OCTOBER 12, 2015

A.S.D. COMMITTEE

Re: **Ordinance G-2015-22**

Time: 5:05 p.m.

Notify: Scott Danks

Re: **Ordinance G-2015-29**

Time: 5:10 p.m.

Notify: Ron London

FINANCE COMMITTEE

Re: **Resolution C-2015-14**

Time: 5:15 p.m.

Notify: Chris Kinnett, GAGE

Re: **Resolution C-2015-16**

Time: 5:15 p.m.

Notify: Chris Kinnett, GAGE

Re: **Resolution C-2015-17**

Time: 5:25 p.m.

Notify: Chris Kinnett, GAGE

CHAIRWOMAN STEPHANIE

BRINKERHOFF-RILEY

Amending Chapter 2.160 of the Evansville Municipal Code (Information Technology)

Amending Title 17, the Subdivision Control Ordinance of the Evansville Municipal Code

CHAIRMAN CONOR O'DANIEL

Declaring an Economic Revitalization Area for Property Tax Phase-In for the Rehabilitation of Real Property and Installation of New Equipment at 2138 N. Sixth Street, Evansville, Indiana 47710 (IRD Group, Inc.)

Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Construction of Real Property and the Acquisition and Installation of New Equipment Old Evansville Brewery Development, LLC ("OEBD") 120 N. Fulton Avenue, Evansville, Indiana

Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Redevelopment of Real Property at 607 E. Iowa Street, Evansville, Indiana - Carpenter Court, L.P. (c/o Pioneer Development Services, Inc.)

Re: **Ordinance G-2015-24**

Time: 5:25 p.m.

Notify: Russ Lloyd

Fixing the Salaries of Every Appointive Officer, Employee, Deputy, Assistant, Departmental and Institutional Head of the City of Evansville - Vanderburgh County Levee Authority for the Year 2016 and Establishing Salary Administration Procedures

Re: **Ordinance F-2015-16**

Time: 5:25 p.m.

Notify: Russ Lloyd

Fixing the Salaries of Elected Officials for the City of Evansville, Indiana for the Year 2016

Re: **Ordinance F-2015-17**

Time: 5:25 p.m.

Notify: Russ Lloyd

Appropriating Monies for the Purpose of Defraying the Expenditures of Departments of City Government for the Fiscal Year Beginning January 1, 2016

Councilman O'Daniel: And I do want to thank everybody for a good discussion on these issues today. I thought we were...I thought we didn't resort to, you know, personal attacks and I thought that we discussed it in a very professional manner in a pretty important...pretty important budgetary issue so thank you for that.

President Adams: Public Works Committee, Chairman Lindsey?

Councilman Lindsey: Nothing at this time.

President Adams: Okay, is there a motion to adjourn?

Councilwoman Mosby: So moved.

Councilman O'Daniel: Second.

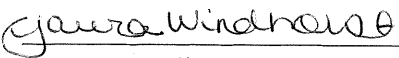
President Adams: Great.

Councilwoman Brinkerhoff Riley: If you're a student, you can...

President Adams: All those in favor say aye. Thank you.

Councilwoman Brinkerhoff Riley: Any students, you can hit anybody that's still sitting and we'll sign your forms.

Meeting adjourned at 6:52 p.m.


Laura Windhorst, City Clerk


H. Dan Adams, President